The statute, being penal in its nature, must be strictly construed. If the defendant was a passenger for hire, he could not, under a strict interpretation, be said to be within the provision, "free pass, free ticket or free transportation." A passenger for hire is said to be one "who travels in some public conveyance by virtue of a contract, express or implied, with the carrier, as the payment of fare or that which is equivalent therefor." *Penna. R. R. Co.* v. *Price,* 96 Pa. St. 256; *Bricker* v. *Phil. & R. R. Co.,* 132 Pa. St. 1; *Fitzgibbon* v. *C. & N. W. Ry. Co.,* 108 Ia. 614. Where a ticket forms part of a consideration, being an inducement to entering into a contract of employment, the transportation is for hire, and is not gratuitous. *Doyle* v. *Fitchburg R. R. Co.,* 166 Mass. 492; *Commonwealth* v. *Vermont & Mass. Ry. Co.,* 108 Mass. 7; *Dempsey* v. *N. Y. C. & H. R. R. Co.,* 146 N. Y. 290. An employee traveling upon a pass or ticket received on account of his employment is not a gratuitous passenger, but a passenger for hire. *Whitney* v. *N. Y., N. H. & H. R. R. R. Co.,* 102 Fed. 850; *O'Donnell* v. *Alleghany Val. R. Co.,* 59 Pa. St. 239; *N. Y., L. E. & W. R. R. Co.* v. *Burns,* 51 N. J. Law 340; *Doyle* v. *Fitchburg R. R. Co.,* supra; *Williams* v. *R. R. Co.,* 18 Utah 210; *Dickinson* v. *West End Ry. Co.,* 177 Mass. 365; *McNulty* v. *Penna. R. Co.,* 182 Pa. St. 479; *Whitney* v. *N. Y. N. H. & H. R. Co.,* 102 Fed. 850, endorsing *Doyle* v. *Fitchburg R. R.,* supra; *Railroad Co.* v. *Stevens,* 95 U. S. 655. A pass purporting on its face to be a free pass may, nevertheless, be given for a consideration, and the holder be a passenger for hire. *Williams* v. *R. R. Co.,* supra. It is not easy to see why the services of the defendant, in the principal case, were not in consideration for the pass given, so as to make him a passenger for hire, and not, therefore, within the provisions of the statute.

CONSTITUTIONAL LAW—JUDGMENT OF SISTER STATE—FULL FAITH AND CREDIT.—A Mississippi statute made trading in futures a criminal offense and provided that such contracts should be unenforceable in the courts. Plaintiff's assignor and defendant made such illegal contracts in the state of Mississippi. A disagreement arose and they agreed to submit their differences to arbitrators, the question of the legality of their transactions, however, not being so submitted. An award was made in favor of plaintiff's assignor, but defendant refused to pay. Afterwards plaintiff's assignor brought suit on the award in the courts of Missouri, and got service on defendant while in that state. The court, refusing to go behind the award to investigate the legality of the transactions on which the award was based, gave judgment for plaintiff's assignor. Plaintiff's assignor sued on this Missouri judgment in the courts of Mississippi, and the latter courts held that they could look behind the judgment to the transactions out of which the action arose, and refused to give judgment for plaintiff's assignor on the Missouri judgment, which was then assigned to plaintiff. *Held,* that the Mississippi courts denied to the Missouri judgment the full faith and credit to which it was entitled (Mr. Justice WHITE, Mr. Justice HARLAN, Mr. Justice MCKENNA and Mr. Justice DAY, dissenting). *Fauntleroy* v. *Lum* (1908), 28 Sup. Ct. 641.

The Constitution of the United States provides (Art. 4, § 1) that each state shall give full faith and credit to the judicial proceedings of every other state, and this provision is confirmed and its operation extended by act of Congress (U. S. Comp. Stat., § 905), so that the courts of the United States are bound in the same manner as the courts of the several states. Chief Justice MARSHALL laid down the doctrine that the judgment of a court of one state should be given the same validity and effect in the courts of every other state as it had in the state where pronounced. *Hampton* v. *McConnel,* 3 Wheat. 234, 4 L. Ed. 378. The case of *Wisconsin* v. *Pelican Ins. Co.,* 127 U. S. 265, 8 Sup. Ct. 1370, 32 L. Ed. 239, upon which the dissenting judges place much reliance, holds, among other things, that judgments of the courts of one state when proved in the courts of another state are not "reëxaminable on their merits, nor impeachable for fraud in obtaining them, if rendered by a court having jurisdiction of the cause and of the parties." To the same effect is *Hanley* v. *Donoghue,* 116 U. S. 1. In the principal case no question is raised as to the jurisdiction of the Missouri court over the cause and the parties. Accordingly it would seem that the Mississippi court erred in looking behind the judgment of the Missouri court to the transactions which gave rise to the cause of action, and that the judgment of the court in the principal case was right.

CORPORATIONS—PROMOTERS—SALES TO CORPORATION.—Defendant and another organized plaintiff corporation, and, while they owned all the stock, sold certain property in which they were interested to said corporation at a large profit. At the same time they increased the stock of said corporation from forty to one hundred and fifty thousand shares, twenty thousand of which shares were sold to the public. *Held,* that the corporation could not rescind the sale or recover the profits made by the defendant. *Old Dominion Copper Mining & Smelting Co.* v. *Lewisohn et al.* (1908), — N. Y. —, 210 U. S. 206, 28 Sup. Ct. 634.

The court rests its decision on the ground that, since at the time of the sale, all of the stockholders knew the facts and acted with one accord, there was no fraud on the corporation. There is no obligation on a promoter to disclose dealings before he became a promoter. *McElhenny's Appeal,* 61 Pa. St. 188. When the same parties are on both sides of a bargain, they may issue as much stock as they please to themselves in exchange for their property. *Tompkins* v. *Sperry, Jones & Co.,* 96 Md. 560, 54 Atl. 254. Promoters are not liable to the corporation when they are the only stockholders during the existence of the corporation. *Salomon* v. *Salomon & Co.* (1897), L. R. App. Cas. 22. Directors who own all the stock of a corporation are not within the rule prohibiting persons in a fiduciary relation from contracting for their own advantage in the name of the beneficiaries, and such a contract made in the name of the corporation by the unanimous consent of the directors is not invalid as against public policy. *McCracken* v. *Robison,* 57 Fed. 375. The English case